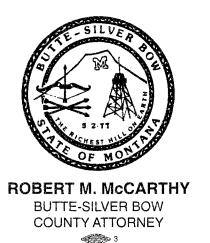
PHONE (406) 497-6230 FAX (406) 497-6239



December 17, 2003

Ben Wagner and Bob Wagner Summit Valley Turf P. O. Box 191 Harrison, MT 59735

RE: Complaint about Butte-Silver Bow Sod Farm

Gentlemen:

Your letter to the Butte-Silver Bow Council of Commissioners dated December 1, 2003 complaining about the Butte-Silver Bow City-County Sod Farm has been referred to me for response. Pursuant to this request of the Council, I offer the following comments.

Butte-Silver Bow established a sod farm to address two separate problems facing our local City-County government.

The first problem is the high amount of nutrients which are found in the effluent water discharged by the City-County Metro Sewer Wastewater Treatment Plant. To correct this problem, the sod farm was developed as part of a plan for nutrient-load reduction into Silver Bow Creek during the months of June – September. During these months one million gallons of effluent per day is pumped from the Wastewater Treatment Plant to the sod farm for irrigation. By eliminating this effluent from Silver Bow Creek during these months, the amount of nutrient discharged to the Clark Fork River is substantially reduced. This drastically reduces the amount of algae in the Clark Fork River in the summer.

This sod has been used in public parks, Habitat for Humanity (low-moderate income) housing sites – and has been used by the Continental Public Land Trust (CPLT), a not-for-profit organization involved in the redevelopment of East Butte, particularly in the area of the Belmont Senior Citizen's Center area. In your letter, you incorrectly state "Recently, Butte-Silver Bow Public Works donated to the Catholic Church." This sod was in fact sold to CPLT as part of the East Butte – Belmont Redevelopment Project.

EXHIBIT 22 DATE 2-19-2009 -1B +1B 564

ROOM 104
COURTHOUSE BUILDING
155 WEST GRANITE ST.
BUTTE, MT 59701

I am enclosing a copy of a letter from James J. Kambich, President of CPLT, to Butte-Silver Bow Chief Executive Judy Jacobson, confirming the sale of this sod, along with a copy of the invoice from the Butte-Silver Bow Metro Sewer Maintenance Department for \$14,000.00, the purchase price for the sod. This bill was paid on October 15, 2003, as evidenced by Butte-Silver Bow Treasurer's Receipt A-101 No. 51876 in the amount of \$14,000.00.

The second problem we faced was the need to provide suitable ground cover to correct the effects of 125 years of mining (and smelting) activities. The City-County has inherited substantial amounts of barren property through the tax forfeiture process and is involved in reclaiming other property owned by not-for-profit organizations.

I note in your letter that you say that:

"We also believe that once these facts are brought out in the open, the people of Butte Silver Bow will do the right thing and abolish this activity and come up with other ways to deal with the problems associated and the financial challenges of running the Butte Sewer and Water Department."

Based upon your statement, we understand you don't like the action we have taken with respect to creation and operation of the sod farm, but Butte-Silver Bow believes that this program is clearly in the best interests of our Metro Sewer District rate-payers. If this plan for nutrient-load reduction, including the sod farm, is not successful, the rate-payers of the Metro Sewer District will be faced with substantial costs to construct an addition to the Wastewater Treatment Plant. This construction is estimated to cost \$25 - \$30 million. This would cause the sewer rates to increase by at least 4 times.

In summary, Butte-Silver Bow has established this sod farm as an alternative to drastic increases in the sewer rates as well as providing a useful remedial source of ground cover (sod) for the citizens of Butte.

I hope that this answers your questions about the reasons for the development and operation of the Butte-Silver Bow City-County sod farm.

Sincerely.

ROBERT M. McCARTHY BUTTE-SILVER BOW COUNTY ATTORNEY

RMM/sk

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Sincerely

BUTTE-SILVER BOW COUNTY ATTORNEY

RMM/sk

L26 W. GRANITE BUTTE, MT 59701



OFFICE: (406) 497-6515 FAX: (406) 497-6524

March 4, 2002

R.J. Wagner & Ben Wagner Summit Valley Turf P.O. Box 66 Harrison MT 59735

Dear Sirs:

First of all, neither my staff nor I have the time or the inclination to answer your lengthy and somewhat ambiguous questions. As I tried to explain, during our extensive phone conversation, Butte-Silver Bow, at present, intends to use its sodsoley on public and non-profit facilities. I will not however, rule out using our sod for other purposes in the future.

For your information, please be advides that we have had an extremely good working relationship with Jim Hysel of Hysel Springhill Nursery for over twenty years and have purchased thousands of square feet of sod from Jim over the years.

In closing, I would respectfully suggest you take a hard look at your marketing plan. During the past construction season, contractors working on Butte-Silver Bow projects, purchased well over one million square feet of sod. I can't help but feel if you were marketing your sod effectively and are competitive, both in quality and pricing, you would have been chosen by general contractors to supply some of the sod on these projects.

*One of the top priorities of the Public Works Department is saving Butte-Silver Bow taxpayers and ratepayers money and our sod farm operation helps us achieve that goal.

I hope your business prospers and we are able to do business in the future.

Sincerely,

James E. Johnston

Public Works Director

CC: Judy Jacobson - Chief Executive

Mike Kerns - Council Chairman

Council of Commissioners



Butte Silver Bow County
P.O. Box 611
Butte, MT 59703 CASH RECEIPT

A-101 CASH RECEIPT

DATE GRANTED: 10/15/2003 RECEIPT#; 51876 STATEMENT#: 18,520 FEE PAID: 14,000.00

STATE OF MONTANA, COUNTY OF SILVER BOW

O ALL WHOM IT MAY CONCERN:

O THE CREDIT OF: METRO SEWER

CD DESCRIPTION
1 ACCOUNT

INE#

ACCOUNT NUMBER 53100001220000000 TOTAL RECEIPT

14, 808. 88

HECK AMT: 14, 000, 00 TOTAL : 14, 000, 00 atrick M. Callaghan JTTE-SILVER BOW TREASURER

CHECK# :

SØ3 US BANK

Mary McMahon BUTTE-SILVER BOW CLERK & RECORDER

dorenes CLERK

CUSTOMER COPY



COPY OF CASH RECEIPT **Butte Silver Bow County** P.O. Box 611 Butte, MT 59703

10/15/2003 51876 DATE GRANTED RECEIPT#

18,520 14,000.00 STATEMENT# : FEE PAID :

STATE OF MONTANA, COUNTY OF SILVER BOW

A-101 CASH RECEIPT

ALL WHOM IT MAY CONCERN:

BUTTE CENTRAL ACTIVITIES CENTER X RECEIVED OF :

DESCRIPTION ACCOUNT

CHECK# :

503 US BANK

14, ଉତ୍ତର, ଉପ 14, ଉତ୍ତର, ଉପ

CK AMT: TOTAL:

BUTTE-SILVER BOW CLERK & RECORDER

Mary McMahon

rick M. Callaghan TE-SILVER BOW TREASURER

CUSTOMER COPY



Mick Smith, Off. Mgr. Butte-Silver Bow 800 Centennial Ave. Butte, Mt. 59701 1-(406)-497-6550

Butte-Silver Bow Metro Maintenance Dept.

September 29, 2003

Continental Public Land Trust 220 North Alaska Street Butte, Mt 59701

Invoice #18520

Butte Central Football Field Sod Project

140,000 Sq. Ft. at \$.10 Per Sq. Ft.

\$14,000.00 Total